

Quarter One 2019/20 Performance Report

This report is divided into the following sections:

1. Overview of corporate plan actions and corporate risks,
2. Impact of welfare benefit reform,
3. Medium term financial strategy,
4. Financial healthcheck

List of appendices

- Appendix A** 2019 to 2022 Corporate Plan actions update,
- Appendix B** Corporate Risks,
- Appendix C** General Fund & Housing Revenue Account main variances,
- Appendix D** Capital programme monitoring,
- Appendix E** Treasury management update.

1. Overview of corporate plan actions and corporate risks

The Executive Leadership Team identified projects from the Corporate Plan, the monitoring of which would form the basis for this section of the quarterly performance report.

Project highlight reports for each of these are included at **Appendix A**.

Details on the Corporate Risk Register are included at **Appendix B**.

2. Impact of Welfare Benefit Reform on Council services

Quarterly updates are presented to monitor the impact of welfare benefit reform changes on Council services including customer demand via monitoring of calls/contacts together with the financial impact of collection and demand for benefits and effect on income streams such as rent, council tax and business rates.

Benefits

A reduction in the number of DHP claims is reported - DHP claims paid total £33k (£14k lower than at June 2018 - £47k) with 72 successful claims from 104 applications (compared to 113 successful claims from 158 applications at June 2018). There is a one week backlog (0.5 weeks as at June 2018) of claims still to be processed which may increase this figure.

Live caseload figures are 221 lower than 2018/19 – currently 5,431 (5,652 at June 2018). The average time taken to process new Housing Benefit/Council Tax Benefit claims and change events was 7.5 days to June 2019 (12.8 days to June 2018).

NNDR

Reminders (382 at June 2019) are higher than 2018/19 levels (305 at June 2018) with summons and liability orders at higher levels than 2018/19. Enforcement agent referrals are higher than 2018/19 levels (28 referrals to June 2019 compared to 10 at June 2018).

Collection performance is below target due to recent assessment changes which we expect to collect to bring collection back on track - current year collection levels are at 28.6%, below target by 0.3% at 30 June. Court costs of £2k are as anticipated.

Arrears collected for 2018/19 are 7.1% compared to a target of 6.5%.

Council Tax

Reminders are 260 higher than 2018/19 levels (6,204 at June 2019 compared to 5,944 at June 2018) with summonses, liability orders and attachment of earnings also at higher levels. Enforcement agent referrals are 18% higher than 2018/19 levels (256 referrals to June 2019 compared to 217 at June 2018).

Current year collection levels at 30.1% are ahead of the target of 29.9% at June 2019 (with a target of 98% for the 2018/19 financial year). Court cost income is ahead of that anticipated by £8k at £54k.

Arrears collection for 2018/19 is at the target of 23.1% - work on further approaches to realise more Council Tax revenue is in place.

Collection Fund – the estimated surplus is £28k for the year with a LCTS projected underspend of £18k (total £46k).

Housing

Summary information provided below explains numbers in receipt of Universal Credit:

| Indicator | Qtr. 4 2018/19 | Qtr 1 2019/20 |
|---|-------------------|------------------|
| Number of Council Tenants on Universal Credit | 645 | 736 |
| Number of Council Tenants on Universal Credit in Rent Arrears | 443 | 591 |
| Percentage of Council Tenants on Universal Credit in Rent Arrears | 68.7% | 80.3% |
| Number of Council Tenants on Universal Credit not in Rent Arrears | 202 | 145 |
| Percentage of Council Tenants on Universal Credit not in Rent Arrears | 31.3% | 19.7% |

Bad debt is forecast to increase in the future as more cases of Universal Credit come on board.

Total rent arrears (excluding former tenants) at 30 June 2019 were £653k compared to £494k at 31 March 2019 – an increase of £159k (compared to a £262k increase as at 30 June 2018).

Total arrears (including former tenant arrears, recharges, court costs and garages etc.) are £2.02m at 30 June 2019, compared to £1.84m at 31 March 2019, an increase of £186k (compared to a £244k increase between 31 March 2018 and 30 June 2019).

Total arrears (including garages etc.) were £1.84m at 31 March 2019 compared to 31 March 2018 - £1.68m (£155k higher).

There were 2 evictions during Quarter 1 2019/20 compared to 3 during Quarter 1 of 2018/19.

There were no court cases where bedroom subsidy, cap or other is the primary reason for possession proceedings (1 to June 2018).

Universal Credit

With regard to the roll out of universal credit, the current indicators show:

| Indicator | Qtr 1 2018/19 | Qtr 2 2018/19 | Qtr 3 2018/19 | Qtr 4 2018/19 | Qtr 1 2019/20 |
|---|------------------|------------------|------------------|------------------|------------------|
| live caseload figure | 5,652 | 5,599 | 5,551 | 5,514 | 5,431 |
| Number of Universal Credit claimants in Tamworth | 1,494 | 1,905 | 2,235 | 2,682 | 2,979 |
| Number of Council Tenants on Universal Credit | 445 | 523 | 589 | 645 | 736 |
| Number of Council Tenants on Universal Credit and in Rent Arrears | 0 | 441 | 473 | 443 | 591 |
| Percentage of Council Tenants on Universal Credit and in Rent Arrears | - | 84.3% | 80.3% | 68.7% | 80.3% |
| Number of Council Tenants on Universal Credit and not in Rent Arrears | 0 | 82 | 116 | 202 | 145 |
| Percentage of Council Tenants on Universal Credit and not in Rent Arrears | - | 15.7% | 19.7% | 31.3% | 19.7% |
| Number of Council Tax Payers on Universal Credit | 368 | 529 | 632 | 745 | 867 |
| Number of Council Tax Payers on Universal Credit and in arrears with Council Tax payments | 83 | 161 | 218 | 261 | 200 |
| Percentage of Council Tax Payers on Universal Credit and in arrears with Council Tax payments | 22.6% | 30.4% | 34.5% | 35.0% | 23.1% |
| Number of Council Tax Payers on Universal Credit and not in arrears with Council Tax payments | 285 | 368 | 414 | 484 | 667 |
| Percentage of Council Tax Payers on Universal Credit and not in arrears with Council Tax payments | 77.5% | 69.6% | 65.5% | 65.0% | 76.9% |
| Number of Universal Credit claimants nationally | 920,000 | 1,100,000 | 1,426,540 | 1,736,431 | 2,046,443 |
| Discretionary Housing Payments made - Year to date | 46,720 | 76,487 | 102,769 | 140,303 | 33,116 |
| Amount of Discretionary Housing Payments made to Universal Credit claimants - Year to date | 19,324 | 34,343 | 50,115 | 82,001 | 17,894 |

3. Medium Term Financial Strategy 2017 to 2022 monitoring

The budget setting process has faced significant constraints in Government funding in recent years - over 50% in real terms since 2010. The four year Local Government Finance Settlement confirmed in February 2016 that austerity measures are to continue with Revenue Support Grant (RSG) all but eradicated for most Councils by 2020 – and suggests that the key challenges that the Authority is currently addressing are likely to become greater.

The Council is responding to these challenges by considering the opportunities to grow our income. We are ambitious with our commercial view and will continue to work hard to identify income streams that enable us to continue to meet the needs of our residents.

The Council remains committed to promoting and stimulating economic growth and regeneration; meeting our housing needs; creating a vibrant town centre economy and protecting those most vulnerable in our communities.

More than ever, we recognise that our financial capacity will be less than in previous years which means that we will need to maintain our approach to innovation, collaboration and transformation. So, not only will the Council seek investment from businesses and developers, but the Council itself will explore viable and sustainable investment opportunities using all returns to support public services.

We continue to invest in our teams, transform our processes and ensure our technology infrastructure is fit for purpose. We have identified a number of opportunities to improve customer access to information and services as well as our engagement with our citizens and the way in which we manage our data and information.

The adoption of 'Demand Management' as the primary operating model and the targeting of resources via locality based commissioning and delivery has enabled greater effectiveness in service delivery. As part of a 'Tamworth Community Offer' we will:

- Improve our use of 'insight' in shaping services and directing investment;
- Better align service delivery to ensure we act with purpose and are accountable;
- Support the Demand Management model with prevention approaches which seek to tackle causes and reduce costs;
- Develop approaches which genuinely 'empower' individuals and communities;
- Support a transformed dialogue with residents - recognising that our financial capacity will be less than in previous years which means educating and supporting communities to focus resources on 'needs' and being clear on what we are able to do and equally what we can't.

Key to this will be the application of existing and new technology to capture, collate and analyse customer insight, intelligence and data so as to understand not just the 'need' but the cause, behaviours or decisions creating the need. Then by the application of locality based commissioning for example, it can commission services that either intervene or prevent future need thereby reducing demand.

This approach will change the organisation and how it works; will require Members to take difficult decisions and adhere to them; will involve managed risks and will sustain essential services critical in supporting the most vulnerable in our communities at a time when demand is increasing and resources reducing.

Linked with this, the 'Delivering Quality Services' project continues to review processes and demand, with the aim of re-designing processes to meet changing customer expectations and making the best use of technology to deliver efficient and effective services to the customer, including self-service and digital functionality.

This approach will change the organisation and how it works; will require Members to put evidence and insight at the heart of our decision making to ensure that we are transparent about the rationale for our decisions and plans; will involve managed risks and will sustain essential services critical in supporting the most vulnerable in our communities at a time when demand is increasing and resources reducing.

Corporate Management Team (CMT) and Cabinet review the most up-to-date budget forecasts on a quarterly basis, and discuss the delivery of the planned savings to support our Medium Term Financial Strategy (MTFS) – as outlined below.

Work is continuing on a number of actions to address the financial position in future years:

- Delivering Quality Services project – the demand management approach to shift demand to more efficient methods of service delivery – online and automation (Interactive Voice Response).
A savings target of £100k p.a. has already been included within the MTFS together with reduced CRM costs of £62k p.a. from 2019/20.
- Recruitment freeze – there is a robust challenge / re-justification process in place for all vacant posts with a requirement to investigate alternative options including restructuring to fill vacancies / looking at what we can stop doing;
- Spend freeze – A review of the underspend position has been undertaken with a view to drive out as many savings as possible – and has identified annual savings of c.£450k p.a. from 2019/20. There was a £2.3m underspend in 2018/19 – although much of this arose from windfall income, c. £0.7m was lower level underspends.
A review of the underspend position is planned with a view to driving out as many savings as possible.
- Alternative investment options arising from the Commercial Investment Strategy (as well as the Treasury Management Investment Strategy) to generate improved returns of c. 4% to 5% p.a. (plus asset growth);
A savings target to return c.4% p.a. from the planned investment of £12m in Diversified Property Funds has already been included from 2019/20.
- Review of reserves (including ensuring adequate provision for the funding uncertainties) / creation of fund for transformation costs (if needed);
- Targeted Savings – to identify potential areas for review in future years; and
- Review and rationalisation of IT systems.
- Review of reserves (including ensuring adequate provision for the funding uncertainties) / creation of a fund for transformation (if needed); and
- Targeted Savings – to identify potential areas for review in future years.

However, there remains a high degree of uncertainty arising from the most significant changes in Local Government funding for a generation in 2020/21 arising from:

- The Government's Fair Funding Review (FFR) of the distribution methodology including:
 - changes to the needs assessment (which will determine each Council's share of the national funding for Local Government – it is likely that this will reflect the impact of Social Care demands and that funding will be redistributed to Unitary and County Councils to the detriment of District Councils);
 - treatment of relative resources (to determine how much each Council can fund locally through income from fees and charges and council tax); and
 - any transitional arrangements to protect Councils from significant reductions in funding – and the impact from their unwinding from 2021/22.
- Spending Review 2019 (SR19) – where the total spending allocation for Government Departments will be set – including national control totals for Local Government spending. It has already been announced that significant additional funding will be diverted to the NHS which could mean further reductions for other Departments including Local Government;
- The ongoing review of the Business Rates Retention (BRR) scheme – the Government announced that Councils will be able to retain 75% of business rates collected from 2020/21 rather than 100% as previously planned with work progressing on the design of the new system including the impact of 'rolling in' grants such as Housing Benefit administration and New Homes Bonus;
- The planned reset of the Business Rates baseline for each Council from 2020/21 and redistribution of the growth achieved since 2013 (of over £1m p.a.);
- Uncertainty over the ongoing funding for the New Homes Bonus scheme, local growth in housing numbers and share of the national pool (including potential increases to the 'deadweight' for which Council's no longer receive grant).

In addition, the next planned national Business Rates Revaluation will take effect from 2021/22 – with latest indications that the Government will also aim to introduce a centralised system for business rate appeals at the same time to cover future changes arising from the 2021 valuation list.

While we are aware of these forthcoming changes, little to no information is available on the potential impact for individual Councils' finances.

General Fund

The updated forecast as at June 2019 is detailed below:

| | General Fund | | | | | | |
|--|--------------|---------|---------|---------|---------|---------|---------|
| MTFS Projections 2018/19 - 2024/25 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Projected Balances per MTFS Council February 2019 | (5,796) | (4,388) | (2,363) | (519) | 1,264 | 3,296 | 5,329 |
| Revised Stress Tested Forecasts: | | | | | | | |
| Best Case Revised Forecast Balances - June 2019 | (6,112) | (7,170) | (6,409) | (5,300) | (4,277) | (2,888) | (1,301) |
| Central Case Revised Forecast Balances - June 2019 | (6,112) | (6,070) | (3,465) | (1,715) | 45 | 2,170 | 4,492 |
| Worse Case Revised Forecast Balances - June 2019 | (6,112) | (6,213) | (2,745) | 421 | 3,782 | 7,492 | 11,450 |

Currently, the central case projections identify a shortfall in General Fund balances of £0.5m over 3 years (compared with a forecast shortfall in the February 2019 MTFS projections of £1.8m) – with a shortfall of £2.7m to 2023/24 increasing to £5m over 5 years (the shortfall was previously forecast at £3.8m in 2023/24), including the minimum approved level of £0.5m;

Further savings of around £0.2m p.a. will be required over the next 3 years (based on annual 2.99% increases in Council Tax). On an annualised basis this would equate to a year on year ongoing saving of £0.1m over 3 years.

The central forecast has been updated to include:

- a) The final outturn for 2018/19 – additional balances of £0.3m from a higher than forecast underspend position of £2.3m. A projected overspend of £0.3m for 2019/20 has been included (plus the potential for returned business rates levy from GBSLEP of £0.3m following finalisation of the audit process);
- b) Lower treasury management investment interest of £0.2m over 3 years from 2020/21 – forecast increases in the Bank of England base rate have been delayed due to the ongoing uncertainty regarding the Brexit process; This has also delayed some of the planned property fund investments with an associated reduction in planned income of £0.3m in 2020/21;
- c) Reduced income from rents and service charges of c.£0.15m p.a.
- d) Potential savings in contingency budgets - General Contingency £100k p.a. (no change in Waste Management, NNDR reserve and Assembly Rooms / income contingencies);

- e) Potential savings of £0.2m p.a. arising from a review of the 2018/19 outturn underspend of £2.3m;
- f) £1.2m from a review of reserves;
- g) Revised lump sum contribution to the pension fund following the 2019 triennial review – an increase of 1% p.a. for 3 years (followed by 2% p.a. thereafter) has been assumed under the central case forecast, £0.2m over 3 years;
- h) A 2.5% p.a. pay award increase has been included within the MTF5 – no change has been assumed;
- i) Costs / savings from the planned CCTV and Cleaning service reviews.

No change to the impact from the Business Rates Baseline reset – c. £1.2m p.a. reduced income / increased tariff from 2020/21 from a reset to the Council's baseline need level has already been included. No further changes to the level of Government support / grants arising from the Fair Funding Review / SR 2019 have been included given the uncertainty. Should the implementation of the reviews be delayed, then this could mean retention of an additional c.£1m business rates income which has been included under the best case forecast.

The Bank of England has already indicated that should the UK leave the EU with no deal then this could adversely affect the economy and measures would need to be taken – this could have a significant impact on the finances of the Council but cannot be accurately quantified at this stage (impact on base rate / investment interest, local economy / business rates income, council tax income etc.). This could mean a loss of income of c.£4m over 4 years which has been included under the worst case forecast.

Housing Revenue Account

The updated forecast as at June 2019 is detailed below:

| | Housing Revenue Account | | | | | | |
|--|-------------------------|---------|---------|---------|---------|---------|---------|
| MTFS Projections 2018/19 - 2024/25 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Projected Balances per MTFS Council February 2019 | (3,622) | (3,507) | (3,227) | (3,168) | (2,057) | (2,327) | (2,597) |
| Revised Stress Tested Forecasts: | | | | | | | |
| Best Case Revised Forecast Balances - June 2019 | (4,485) | (4,435) | (4,182) | (4,191) | (3,162) | (3,488) | (3,754) |
| Central Case Revised Forecast Balances - June 2019 | (4,485) | (4,435) | (4,155) | (4,109) | (2,996) | (3,238) | (3,421) |
| Worse Case Revised Forecast Balances - June 2019 | (4,485) | (4,384) | (3,024) | (1,814) | 485 | 1,455 | 2,487 |

Currently projections identify HRA balances of £3m over 3 years (compared with a forecast in February of £2.1m) with balances of £3.2m over 4 years to 2023/24 increasing to £3.4m over 5 years (balances were previously forecast at £2.3m in 2023/24), including the minimum recommended balances of £0.5m.

The central forecast has been updated to include:

- The final outturn for 2018/19 – additional balances of £0.9m from a higher than forecast underspend position of £1.5m. A projected underspend of £0.1m for 2019/20 has been included;
- Lower treasury management investment interest of £0.1m over 3 years from 2020/21 – forecast increases in the Bank of England base rate have been delayed due to the ongoing uncertainty regarding the Brexit process;
- Potential savings of £67k p.a. arising from a review of the 2018/19 outturn underspend of £1.5m;
- Revised lump sum contribution to the pension fund following the 2019 triennial review – an increase of 1% p.a. for 3 years (followed by 2% p.a. thereafter) has been assumed under the central case forecast, £60k over 3 years;
- A 2.5% p.a. pay award increase has been included within the MTFS – no change has been assumed;
- No changes have been assumed regarding from the planned stock condition survey and ongoing repairs contract arrangements (however, additional cost pressures in these areas of c.£1m p.a. have been assumed under the worst case forecast).

4. Financial Healthcheck

Executive Summary

This section to the report summarises the main issues identified at the end of June 2019.

General Fund

Revenue

| GENERAL FUND | YTD Budget £000 | YTD Position £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 |
|--------------------------|--------------------|----------------------|------------------|----------------|------------------------------|------------------|
| Chief Executive | 570 | 586 | 16 | 1,338 | 1,356 | 18 |
| AD Growth & Regeneration | 289 | 256 | (33) | 1,671 | 1,746 | 75 |
| ED Organisation | 153 | 135 | (18) | 465 | 475 | 10 |
| AD People | 756 | 778 | 22 | 398 | 442 | 44 |
| AD Operations & Leisure | 999 | 1,041 | 42 | 2,392 | 2,547 | 155 |
| ED Finance | 30 | 32 | 2 | - | 7 | 7 |
| AD Finance | 1,253 | 1,298 | 45 | 1,651 | 1,604 | (47) |
| AD Assets | (214) | (272) | (58) | (992) | (992) | - |
| AD Neighbourhoods | 344 | 113 | (231) | 1,578 | 1,578 | - |
| AD Partnerships | 125 | 134 | 9 | 902 | 961 | 59 |
| | | | | | | |
| Total | 4,305 | 4,101 | (204) | 9,403 | 9,724 | 321 |

The General Fund has a favourable variance against budget at Period 3 of £204k.

- The projected full year position identifies an unfavourable variance against budget of £321k or 3.41%.
- This projection has highlighted several budget areas for concern (detailed at **Appendix C**).
- A balance of £272k was held in the General Contingency Budget at the end of June 2019.

Capital

| GENERAL FUND | Budget Reprofiled from 2018/19 (memo only) £000 | YTD Budget £000 | YTD Actual Spend £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 | Reprofile to 2020/21 (memo only) £000 | Outturn £000 |
|---------------------------|---|-----------------|-----------------------|-----------------|---------------|------------------------|---------------|---------------------------------------|---------------|
| Chief Executive | 730 | - | - | - | 730 | 730 | - | - | 730 |
| AD Growth & Regeneration | 721 | 366 | 332 | (33) | 841 | 841 | - | - | 841 |
| ED Organisation | - | - | - | - | - | - | - | - | - |
| AD People | 174 | 189 | 94 | (95) | 234 | 234 | - | - | 234 |
| AD Operations & Leisure | 3,032 | 780 | 794 | 14 | 3,110 | 3,110 | - | - | 3,110 |
| ED Finance | - | - | - | - | - | - | - | - | - |
| AD Finance | 12,131 | 12,131 | - | (12,131) | 12,131 | 12,131 | - | - | 12,131 |
| ED Communities | - | - | - | - | - | - | - | - | - |
| AD Assets | 376 | 557 | 347 | (210) | 1,101 | 1,101 | - | - | 1,101 |
| AD Neighbourhoods | 79 | 42 | 12 | (30) | 79 | 79 | - | - | 79 |
| AD Partnerships | 92 | - | - | - | 92 | 92 | - | - | 92 |
| GF Contingency | 595 | 595 | - | (595) | 595 | 476 | (119) | - | 476 |
| TOTAL GENERAL FUND | 17,929 | 14,660 | 1,579 | (13,080) | 18,912 | 18,793 | (119) | - | 18,793 |

- Capital expenditure incurred was £1.579m compared to a profiled budget of £14.660m.
- It is predicted that £18.793m will be spent by the year-end compared to a full year budget of £18.912m (this includes re-profiled schemes from 2018/19 of £17.929m).
- A summary of Capital expenditure is shown at **Appendix D**.

Treasury Management

- At the end of June 2019 the Authority had £64.439m invested in the money markets. The average rate of return on these investments is 1.04% though this may change if market conditions ease.
- Borrowing by the Authority stood at £63.060m at the end of June 2019, all being long term loans from the Treasury Public Works Loans Board. The average rate payable on these borrowings equates to 4.05%.
- A more detailed summary of the Treasury Management situation, detailing our current Lending and Borrowings can be found at **Appendix E**.

Balances

Balances on General Fund are projected to be in the region of £4.384m at the year-end from normal revenue operations compared to £4.388m projected within the 2019/20 budget report.

Housing Revenue Account (HRA)

Revenue

| HOUSING REVENUE ACCOUNT | YTD Budget £000 | YTD Position £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 |
|-------------------------|--------------------|----------------------|------------------|----------------|------------------------------|------------------|
| HRA Summary | (4,318) | (4,453) | (135) | (3,704) | (3,784) | (80) |
| ED Communities | 27 | 29 | 2 | - | - | - |
| AD Operations & Leisure | 43 | 47 | 4 | 167 | 183 | 16 |
| AD Assets | 200 | 212 | 12 | 402 | 402 | - |
| AD Neighbourhoods | 552 | 511 | (41) | 3,250 | 3,250 | - |
| Housing Repairs | 1,009 | 941 | (68) | - | - | - |
| | | | | | | |
| Total | (2,487) | (2,713) | (226) | 115 | 51 | (64) |

- The HRA has a favourable variance against budget at Period 3 of £226k.
- The projected full year position identifies a favourable variance against budget of £64k. Individual significant budget areas reflecting the variance are detailed at **Appendix C**.

Capital

| HOUSING REVENUE ACCOUNT | Budget Reprofiled from 2018/19 (memo only) £000 | YTD Budget £000 | YTD Actual Spend £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 | Reprofile to 2020/21 (memo only) £000 | Outturn £000 |
|------------------------------------|---|--------------------|-----------------------------|------------------|---------------|------------------------------|------------------|--|-----------------|
| AD Assets | 22,254 | 7,846 | 5,320 | (2,526) | 31,181 | 28,711 | (2,470) | 2,470 | 31,181 |
| HRA Contingency | 100 | 100 | - | (100) | 100 | 100 | - | - | 100 |
| TOTAL HOUSING REVENUE ACCOU | 22,354 | 7,946 | 5,320 | (2,826) | 31,281 | 28,811 | (2,470) | 2,470 | 31,281 |

- Housing Capital expenditure of £5.320m has been incurred as at the end of Period 3 compared to a profiled budget of £7.946m.
- It is predicted that £28.811m will be spent by the year-end compared to the full year budget of £31.281m (including £22.354m re-profiled from 2018/19);
- Members are asked to approve the virement of £1,000,000 from CR7003 Regeneration General to CR7004 HRA Acquisitions. Budget code CR7004 is used for the purchase of properties on the open market, acquisitions are funded in part (maximum 30%) through 1-4-1 right to buy (RTB) receipts with the remainder being funded through other capital receipts and revenue contributions from the HRA. In order to spend all of the available 1-4-1 funds there is a need to increase the HRA funded proportion of the capital funding allocation. The virement of funds from CR7003 to CR7004 will allow us to purchase sufficient properties to maximise use of 1-4-1 monies as they are time limited and would have to be repaid to MHCLG if not spent. We are currently looking at the property market with a view to acquiring properties that become available.
- A summary of Capital expenditure is shown at **Appendix D**.

Balances

- Balances on the Housing Revenue Account are projected to be in the region of £4.434m at the year-end compared to £3.507m projected within the 2019/20 budget report – additional balances of £0.9m.

| CORPORATE CAPITAL STRATEGY | | |
|--|-------------|-------------------|
| Workstreams | Lead | RAG status |
| MTFS to include consideration of Capital Expenditure (Due October 2019) | LP | |
| Monthly Capital Monitoring Reports (On going from June 2019) | LP | |
| Review Capital Appraisal Process (Due October 2019) | LP | |
| Review Asset Management Strategy – incorporating revised Stock Condition Survey (Due 2020/21) | PW | |
| Review of Building Repairs Fund (BRF) (Due October 2019) | PW / LP | |
| Review of Commercial Property – monitoring of performance to be established (Due October 2019) | PW / LP | |

Key milestones achieved

- Capital Strategy included with Budget and MTFS to be presented to Cabinet 24th January and Joint Scrutiny Cttee 30th January
- Feedback received from Link Asset Services and subsequent amendments/updates made to strategy
- ASSG meetings scheduled 1/4ly in diaries starting 28/03/19.

PRIORITY REVIEW - CLEANERS

| Workstreams | Lead | RAG status |
|--|-------------|-------------------|
| Project Scoping | PW | |
| PID | PW | |
| Demands analysis | TW | |
| Review of staffing needs and costing/Service standards | TW | |
| Implementation | PW | |

Key milestones achieved

- Project scoped, PID completed and agreed
- Demands analysis complete
- Service standards and staffing inputs mapped
- Costed model produced
- Report presented to CMT

| PRIORITY REVIEW – LEISURE SERVICES | | |
|---|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Evidence gathering | SMcG/KM | |
| Review Information- to meet with ED Communities and ED DCE, AD Partnerships to discuss options leisure requirements | AG/SMcG | |

| Key milestones achieved |
|--------------------------------|
| |

| PRIORITY REVIEW - CCTV | | |
|---|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Project Resourcing | TMM | |
| Shared Service – ICT Ankerside & Business continuity | GY | |
| Shared Service – Mobilisation to WMCA (investment and SOPs) | MB | |
| Shared Service – OOH procedures, bollard management and key control | LB | |
| Communications Planning | LR | |
| TUPE & Staffing Matters | JN | |
| Shared Service – Surveillance Commissioner Standards | LB/JS | |
| Commercial development – Tamworth; Castle; Assembly Rooms | Relevant AD | |

| Key milestones achieved |
|---|
| <ul style="list-style-type: none"> • Cabinet decision – 020719 approved shared service – Scrutiny recommendations and amendment to support as closely as possible • Appointments & Staffing report diarised for 17-7-19 • Monthly Project Group meetings in diary until 2020 • Meeting on 050719 to map above work-stream and formalise key leads and tasks |

| DELIVERY & APPROVAL OF THE TAMWORTH COMMUNITY OFFER | | |
|--|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Creating and using Knowledge and Insight | ZW | |
| Service Offer | RB | |
| Collaborative Partnerships | RB | |
| Project Governance | RB | |

| Key milestones achieved |
|---|
| <ul style="list-style-type: none"> • Member zone established • TSP re-established Partnership Plan agreed |

| RISK MANAGEMENT STRATEGY | | |
|--|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Review of current reporting process / format | | |
| Rationalize and Co-ordinate mitigating actions | | |
| Identification of Corporate Risks- ensure all captured, aligned and reported | | |

| Key milestones achieved |
|--|
| <p>Appointment of consultants to assist with undertaking the review and project scoped</p> <p>Review of current risk undertaken and new grouping proposed(reduction to 14 categories)</p> <p>Appointment of "Service Risk Champions"</p> |

| IMPLEMENT CUSTOMER PORTAL | | |
|--|--------------|-------------------|
| Workstreams | Lead | RAG status |
| CRM – Workflow360 <ul style="list-style-type: none"> Processes with Civica for building | Jon McDevitt | |
| Portal – Portal 360 <ul style="list-style-type: none"> Processes with Civica for building | Jon McDevitt | |

| Key milestones achieved |
|---|
| <ul style="list-style-type: none"> 06/06/2019 Conference call between TBC, Civica and Orchard to discuss integration of portals. Address data verified 12/06/2019 Project working team meeting to discuss CRM UAT, training and Go Live 17/06/2019 Civica presentation of Move In/Out and Complaints process design 20/06/2019 TBC review of Move In/Out and Complaint process 26/06/2019 TBC review of existing forms for inclusion in Move In/Out and Complaints process Installation of Portal software LLPG addresses loaded in to Test Workflow360 |

| ICT STRATEGY | | |
|---------------------|-------------|-------------------|
| Workstreams | Lead | RAG status |
| ICT Strategy | | |

| Key milestones achieved |
|---|
| <ul style="list-style-type: none"> Initial phase completed May 2019 Short term priorities planned in ICT work plans Long term actions to be factored into ICT Strategy |

| ORGANISATIONAL DEVELOPMENT STRATEGY | | |
|--|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Organisational Development Strategy | | |

| Key milestones achieved |
|--|
| <ul style="list-style-type: none"> Initial scoping session complete First draft circulated to project team for comment |

| REPAIRS & INVESTMENT CONTRACT | | |
|---|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Appoint external support [Complete] | PW | |
| Agree & Purchase SOR | PW | |
| Finalise 5-year work programmes & Budgets | PW/LP | |
| Update Repairs & Void Policies | PW/TM | |
| Scope Call Centre Requirements | PW/ZW | |
| TUPE matters | PW/ZW | |
| Tenant & Leasehold Consultation | PW/TM | |
| Procurement of main contract (June 2019 to start) | PW | |
| Mobilisation (December 2019 to start) | PW | |
| IT Requirements & Implementation | GY | |
| Communications with Members | PW | |

| Key milestones achieved |
|--|
| <ul style="list-style-type: none"> Cabinet approval received to proceed with Procurement of new contracts (Dec 2018). TCG informed of decision. External Support now appointed [Anthony Collins & Rand Associates] Stage 1 Leaseholder consultation letters drafted ready for release on Friday 5th April. Initial TUPE data supplied by Wates Stage 1 of tender process commenced. |

| COMPLETION OF NEW COUNCIL HOUSING AT TINKERS GREEN & KERRIA | | |
|--|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Developer procurement | PW | Green |
| Decant and empty property management | TM | Green |
| Land and property acquisition and retail | PW | Yellow |
| Demolition | PW | Green |
| Communication | LR | Green |
| Local Lettings Policy | TM | Red |

| Key milestones achieved |
|---|
| <ul style="list-style-type: none"> • Contract in place • Clerk of Works appointed • Homes England funding confirmed and spent • Demolition of both sites complete • Construction work underway on both sites. • Handover schedule in place with first units due for completion in July 2019 • Revised handover schedule on target for Autumn 2020 completion |

| WELFARE REFORM | | |
|--|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Project group TORs | TMM | Green |
| Transition FTAs to Finance | LB/LP | Yellow |
| Impact Universal Credit Welfare Reform | LB/MB | Yellow |
| Third Sector Commissioning | LB/JS | Yellow |
| Self-assessment & Accreditation | TMM | Yellow |
| Digitisation and links to Portal | LB/HoCS | Yellow |

| Key milestones achieved |
|--------------------------------|
| |

| HOUSING STRATEGY | | |
|-------------------------|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Housing Strategy | J Sands | Green |

| Key milestones achieved |
|---|
| <ul style="list-style-type: none"> • Draft tender document out for comment until 17th June 2019 • Publish on Intend by 30th June 2019 • Tender document loaded on Intend for response by 31st July 2019 |

| ALLOCATIONS POLICY | | |
|--|----------------|-------------------|
| Workstreams | Lead | RAG status |
| Governance | TMM | Green |
| ICT Banding, testing and modelling | JW | Green |
| Policy revisions and Impact Assessment (inc legal) | DK (& Trowers) | Green |
| Consultation & Comms | LR | Green |
| Local Lettings Planning (Tinkers & Kerria) | TMM/JoM | Yellow |
| Risk Management | GS | Green |

| Key milestones achieved |
|---|
| <ul style="list-style-type: none"> • Last ELT Update 070619 – comprehensive details provided • Full Council – extraordinary meeting 191119 (Approve Allocations policy) • H&W Scrutiny invited October 2019 • Interim consultation report available – continues until end of august 2019 • Trowers engaged for policy/impact assessment review and support |

| LEISURE STRATEGY | | |
|---|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Review evidence from leisure services priority review | AG/SMcG | Yellow |
| Prepare brief for Leisure Strategy and Indoor & Outdoor sports strategy | AG/SMcG | Green |
| Appoint external consultants for the both | AG/SMcG | Green |
| Produce both Leisure Strategy and Indoor & Outdoor sports strategy | AG/SMcG | Green |
| Endorse both Leisure Strategy and Indoor & Outdoor sports strategy | AG/SMcG | Green |

| Key milestones achieved |
|--------------------------------|
| Evidence gathering underway |

| OPENING OF THE NEWLY REFURBISHED ASSEMBLY ROOMS | | |
|--|-------------|-------------------|
| Workstreams | Lead | RAG status |
| Business plan- currently being updated | Adey Ramsel | Yellow |
| Communications Plan | Linda Ram | Green |
| Marketing Plan | Anna Toone | Green |
| Operational Procedures | Jody Ross | Green |
| Food and Beverage offer | SMcG | Yellow |
| Licensing | Jody Ross | Light Green |
| Technology infrastructure | G Youlden | Light Green |
| Project design and Build | T Hobbs | Yellow |
| Public Realm | SMcG | Red |
| Opening events | A Ramsel | Green |

| Key milestones achieved |
|---|
| High level plastering complete Completion programme achieved with handover date of 1/11/19 |

| TOWN CENTRE PROGRAMME | | |
|----------------------------------|---------------|-------------------|
| Workstreams | Lead | RAG status |
| Town Centre Strategy | Matt Fletcher | Orange |
| Gungate Masterplan | David hunter | Green |
| TIC | Matt Fletcher | Green |
| Place Investment Strategy | Matt Fletcher | Orange |
| Car Parking Strategy | Matt Fletcher | Orange |
| Market re-tender | Matt Fletcher | Green |
| Communications and Engagement | Zoe Wolicki | Green |
| Town Centre Funding Applications | Matt Fletcher | Green |

| Key milestones achieved |
|---|
| <p>Town Centre Strategy</p> <ul style="list-style-type: none"> TBC has led on a GBSLEP piece of work on Town Centre Ecosystems that will inform our strategy - due October TBC piloting an approach with GBSLEP on Town Centre Investment Models, that will inform our strategy - due October 2019 <p>Gungate Masterplan</p> <ul style="list-style-type: none"> Developed a strong dialogue with NCP land assembly discussions have progressed draft masterplan issued that has cabinet support in principle |

Place Investment Strategy

- outline proposals of strategy submitted to CMT

Market re-tender

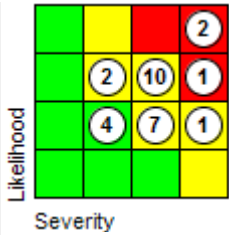
- Cabinet approval given for permission to go out to tender

Town Centre Funding Applications

- Future High Streets Fund (FHSF) Submitted
- FHSF decisions received – pass ported through to next round with support from High Street Task Force
- Heritage Action Zone bid submitted

Corporate Risk Register

Corporate Risk Register – Heat Map









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| Title | Description |
|---------|--|
| Finance | To ensure that the Council is financially sustainable as an organisation |

| Risk | Date Reviewed | Current Risk Severity | Current Risk Likelihood | Current Risk Rating | Current Risk Status |
|----------------------------|---------------|-----------------------|-------------------------|---------------------|---------------------|
| Funding gaps | 01-Jul-2019 | 3 | 3 | 9 | |
| Business Rates Retention | 01-Jul-2019 | 3 | 3 | 9 | |
| New Homes Bonus | 01-Jul-2019 | 3 | 2 | 6 | |
| Welfare and Benefit Reform | 01-Jul-2019 | 3 | 3 | 9 | |
| Failure to manage budgets | 01-Jul-2019 | 3 | 2 | 6 | |




| Title | Description |
|--|--|
| Modernisation & Commercialisation Agenda | Develop and implement continuous improvement and develop employees to perform the right work |

| Risk | Date Reviewed | Current Risk Severity | Current Risk Likelihood | Current Risk Rating | Current Risk Status |
|-----------------------------------|---------------|-----------------------|-------------------------|---------------------|---|
| Contract Management & Procurement | 01-Jul-2019 | 2 | 2 | 4 |  |
| Management of Assets | 27-Jun-2019 | 2 | 2 | 4 |  |
| New Revenue Streams | 01-Jul-2019 | 3 | 3 | 9 |  |
| Workforce Planning Challenges | 27-Jun-2019 | 3 | 2 | 6 |  |
| Continuous Improvement | 27-Jun-2019 | 2 | 2 | 4 |  |
| Partnerships fail | 27-Jun-2019 | 3 | 2 | 6 |  |




| Title | Description |
|------------|--|
| Governance | Ensure that processes, policies and procedures are in place and the authority is held to account |

| Risk | Date Reviewed | Current Risk Severity | Current Risk Likelihood | Current Risk Rating | Current Risk Status |
|-----------------------|---------------|-----------------------|-------------------------|---------------------|---|
| Democratic Process | 27-Jun-2019 | 3 | 3 | 9 |  |
| Assurance Process | 03-Jul-2019 | 2 | 3 | 6 |  |
| Legislation | 27-Jun-2019 | 3 | 2 | 6 |  |
| Policies & Procedures | 27-Jun-2019 | 3 | 2 | 6 |  |
| Ethics | 03-Jul-2019 | 2 | 2 | 4 |  |




| Title | Description |
|-----------------|---|
| Community Focus | To ensure the safety, health and wellbeing of the citizens of the borough |

| Risk | Date Reviewed | Current Risk Severity | Current Risk Likelihood | Current Risk Rating | Current Risk Status |
|---|---------------|-----------------------|-------------------------|---------------------|---|
| Community Cohesion & Engagement | 27-Jun-2019 | 3 | 3 | 9 |  |
| Safeguarding Children & Adults (including Modern Slavery) | 03-Jul-2019 | 2 | 3 | 6 |  |
| Emergency Planning | 28-Mar-2019 | 3 | 2 | 6 |  |



| Title | Description |
|----------------------------------|--|
| Economic Growth & Sustainability | To ensure that the economic growth and sustainability of the borough is maintained |




| Risk | Date Reviewed | Current Risk Severity | Current Risk Likelihood | Current Risk Rating | Current Risk Status |
|------------------|---------------|-----------------------|-------------------------|---------------------|---|
| Regeneration | 03-Jul-2019 | 3 | 3 | 9 |  |
| Housing Needs | 27-Jun-2019 | 3 | 3 | 9 |  |
| Economic Changes | 03-Jul-2019 | 3 | 3 | 9 |  |

| Title | Description |
|--------------------------|--------------------------------------|
| Information Safeguarding | To ensure that our data is protected |

| Risk | Date Reviewed | Current Risk Severity | Current Risk Likelihood | Current Risk Rating | Current Risk Status |
|---------------------|---------------|-----------------------|-------------------------|---------------------|---|
| Data Protection | 27-Jun-2019 | 4 | 3 | 12 |  |
| Cyber Security | 27-Jun-2019 | 4 | 2 | 8 |  |
| Business Continuity | 27-Jun-2019 | 3 | 3 | 9 |  |

| Title | Description |
|--------|---------------------------------------|
| Brexit | The Impact of Brexit upon the Council |

| Risk | Date Reviewed | Current Risk Severity | Current Risk Likelihood | Current Risk Rating | Current Risk Status |
|---------------------------------------|---------------|-----------------------|-------------------------|---------------------|---|
| Financial | 08-Jul-2019 | 4 | 4 | 16 |  |
| The Impact of Brexit upon the Council | 08-Jul-2019 | 4 | 4 | 16 |  |

| Risk Status | |
|---|-------------|
|  | High Risk |
|  | Medium Risk |
|  | Low Risk |

General Fund – Main Variances

| Service Area | Cost Centre | Account Code | Year To Date Position Sub Total | Year To Date Position Budget | Year To Date Position Variance | Full Year Position Budget | Full Year Position Predicted Outturn Variance | Full Year Position Predicted Outturn | Comment |
|------------------------------|-----------------------|-----------------------------|---------------------------------|------------------------------|--------------------------------|---------------------------|---|--------------------------------------|--|
| Ad Operations & Leisure | Public Spaces | Vacancy Allowance | - | (20,130) | 20,130 | (80,540) | 80,540 | - | Vacancy Allowance |
| Ad People | ICT | Vacancy Allowance | - | (8,700) | 8,700 | (34,850) | 34,850 | - | Vacancy Allowance |
| Page 39 Ad Neighbourhoods | Homelessness | Provision For Bad Debts | 1,103 | 58,900 | (57,797) | 58,900 | - | 58,900 | Report to go to Cabinet re write off of historical B&B debt |
| | | Bed And Breakfast Cost | 16,429 | 52,020 | (35,591) | 208,080 | - | 208,080 | Report will be going to Cabinet outlining changes to charging policy for B&B |
| | | Bed & Breakfast Income | (5,931) | (51,030) | 45,099 | (208,070) | - | (208,070) | |
| | Homelessness Strategy | Government Grants | (145,855) | - | (145,855) | - | - | - | HQN working on updating the evidence base for the homelessness strategy which will result in a detailed spending plan for homeless based prevention activity - report due to cabinet Dec 2019 as part of the MHCLG requirement |
| Ad Growth & Regeneration | Development Control | Fees & Charges Planning App | (136,098) | (50,010) | (86,088) | (200,010) | - | (200,010) | £100k of income was received in advance in 2018/19 and was brought forward into 2019/20. This relates |

| Service Area | Cost Centre | Account Code | Year To Date Position Sub Total | Year To Date Position Budget | Year To Date Position Variance | Full Year Position Budget | Full Year Position Predicted Outturn Variance | Full Year Position Predicted Outturn | Comment |
|-------------------------|-------------------------|-----------------------------|---------------------------------|------------------------------|--------------------------------|---------------------------|---|--|---|
| | | | | | | | | | to work carried out early in the new financial year in respect of the golf course development. It is too soon to predict if total income for the year will exceed budget. |
| Page 40 Ad Finance | Benefits | Rent Allowances | 1,525,952 | 1,679,700 | (153,748) | 7,200,960 | (642,270) | 6,558,690 | Based on DWP Est Claim P3 |
| | | Council Tenant Rent Rebates | 2,303,601 | 2,189,720 | 113,881 | 8,253,350 | (272,620) | 7,980,730 | |
| | | Council Tenant Grant | (2,262,306) | (2,149,680) | (112,626) | (8,102,660) | 184,590 | (7,918,070) | |
| | | Private Tenant Grant | (1,471,257) | (1,625,000) | 153,743 | (6,968,280) | 599,210 | (6,369,070) | Based on e-Fins @ p3 |
| | | Overpayment Private Tenant | (68,876) | (85,350) | 16,474 | (341,340) | 65,840 | (275,500) | |
| | | Pt Overpayment Recovery | 20,477 | - | 20,477 | - | 81,910 | 81,910 | |
| | Ct Overpayment Recovery | 23,135 | - | 23,135 | - | 92,540 | 92,540 | | |
| Benefits Administration | Government Grants | (61,162) | (5,890) | (55,272) | (10,730) | - | (10,730) | UC/New Burdens Grants not budgeted - no variance reported as yet | |
| Ad Finance | Corporate Finance | Consultants Fees | 77,823 | 31,260 | 46,563 | 125,000 | (30,000) | 95,000 | Projected underspend reflects limited spend in first quarter |
| | | Contribution To Reserves | - | - | - | 1,350,000 | 700,000 | 2,050,000 | Provision for levy payment should it be required |

| Service Area | Cost Centre | Account Code | Year To Date Position Sub Total | Year To Date Position Budget | Year To Date Position Variance | Full Year Position Budget | Full Year Position Predicted Outturn Variance | Full Year Position Predicted Outturn | Comment |
|--------------|---------------------|------------------------------------|---------------------------------|------------------------------|--------------------------------|---------------------------|---|--------------------------------------|--|
| | | NNDR Levy Payments | - | - | - | 965,810 | (700,000) | 265,810 | Unlikely to pay over levy to GBSLEP under pooling pilot arrangements |
| | Treasury Management | Miscellaneous Interest & Dividends | (165,270) | (104,610) | (60,660) | (418,410) | (242,640) | (661,050) | Higher than budgeted investment balances |
| | | Property Fund Dividends | (30,436) | (60,000) | 29,564 | (240,000) | 91,250 | (148,750) | Lower income due to lower investment of £3.85m to date |

Housing Revenue Account – Main Variances

| Service Area | Cost Centre | Account Code | Year To Date Position Sub Total | Year To Date Position Budget | Year To Date Position Variance | Full Year Position Budget | Full Year Position Predicted Outturn Variance | Full Year Position Predicted Outturn | Comment |
|-----------------|------------------|-----------------------------|---------------------------------|------------------------------|--------------------------------|---------------------------|---|--------------------------------------|--|
| Housing Repairs | Repairs Contract | Responsive Repairs | 267,876 | 333,000 | (65,124) | 1,332,000 | - | 1,332,000 | Works are reactive in nature and are dealt with ad-hoc on request |
| | | Voids | 379,856 | 193,250 | 186,606 | 773,000 | - | 773,000 | There have been a number of high-cost voids, these will need to be monitored through the year as some expenditure will be capital in nature and will result in recoding to the capital budgets. |
| | | Periodic Electrical Testing | - | 77,058 | (77,058) | 308,230 | - | 308,230 | Spend currently sits in the response code and will need to be recoded out. |
| | | Planned Maintenance | 275 | 44,475 | (44,200) | 177,900 | - | 177,900 | Works being programmed in for completion. |
| HRA Summary | H R A Summary | Provision For Bad Debts | 128,279 | 200,000 | (71,721) | 200,000 | - | 200,000 | Bad debt is likely to increase whilst the rollout of UC continues. Income recovery remains a priority to limit any increase in arrears. |
| HRA Summary | H R A Summary | Rents | (4,657,808) | (4,606,921) | (50,887) | (17,364,550) | (80,000) | (17,444,550) | Rent income is currently exceeding budget due to void levels being lower than budgeted. The acquisition programme also continues to provide additional properties let at Affordable Rent and offset those sold under the Right to Buy. |

Capital Programme Monitoring

| Service Area | Budget Reprofiled from 2018/19 (memo only) £000 | YTD Budget £000 | YTD Actual Spend £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 | Reprofile to 2020/21 (memo only) £000 | Outturn £000 | Comments |
|---|---|-----------------|-----------------------|---------------|-------------|------------------------|---------------|---------------------------------------|--------------|---|
| Chief Executive | | | | | | | | | | |
| Gungate Development | 730 | - | - | - | 730 | 730 | - | - | 730 | Work ongoing to develop plans for the site |
| Service Area Total | 730 | - | - | - | 730 | 730 | - | - | 730 | |
| AD Growth | | | | | | | | | | |
| Castle Mercian Trail | 576 | 330 | 330 | - | 576 | 576 | - | - | 576 | - |
| Gateways | 139 | 30 | (1) | (31) | 259 | 259 | - | - | 259 | Funds for Phase 3 (Corporation St) |
| Cultural Quarter - Carnegie Centre | 6 | 6 | 3 | (3) | 6 | 6 | - | - | 6 | - |
| Service Area Total | 721 | 366 | 332 | (33) | 841 | 841 | - | - | 841 | |
| AD People | | | | | | | | | | |
| Replacement It Technology | 69 | 84 | 54 | (29) | 129 | 129 | - | - | 129 | Commitments for replacement servers & penetration testing |
| EDRMS (Electronic Document Records Management System) | 50 | 50 | - | (50) | 50 | 50 | - | - | 50 | Budget to be spent in line with any requirements of the Customer Portal/CRM/integration project |
| Income Management & Receipting System | 10 | 10 | 10 | (0) | 10 | 10 | - | - | 10 | Will complete shortly |
| New Time Recording System 17/18 | 15 | 15 | - | (15) | 15 | 15 | - | - | 15 | To be progressed |
| Self Service Customer Portal | 30 | 30 | 30 | (1) | 30 | 30 | - | - | 30 | This stage of the project will complete this year |
| Service Area Total | 174 | 189 | 94 | (95) | 234 | 234 | - | - | 234 | |

| Service Area | Budget Reprofiled from 2018/19 (memo only) £000 | YTD Budget £000 | YTD Actual Spend £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 | Reprofile to 2020/21 (memo only) £000 | Outturn £000 | Comments |
|---------------------------------------|---|-----------------|-----------------------|---------------|-------------|------------------------|---------------|---------------------------------------|--------------|---|
| AD Operations & Leisure | | | | | | | | - | | |
| Wigginton Park Section Section 106 | 10 | - | - | - | 10 | 10 | - | - | 10 | Plans to deliver scheme in line with Wigginton Park Management Plan |
| Broadmeadow Nature Reserve | 17 | - | - | - | 17 | 17 | - | - | 17 | Ongoing works to complete management plan and HLS agreement |
| Public Open Space Section 106 | 10 | - | - | - | 10 | 10 | - | - | 10 | Spend in line with work plan |
| Street Lighting | 7 | - | 4 | 4 | 35 | 35 | - | - | 35 | Works to be delivered in line with 30 year project plan |
| Local Nature Reserves | 23 | - | - | - | 23 | 23 | - | - | 23 | Works ongoing to deliver items from management plan for various LNRs |
| Community Woodland Cycleway | 200 | - | - | - | 200 | 200 | - | - | 200 | Variation to design spec to be included with Amington Community Woodland |
| Amington Community Woodland | 302 | 30 | 34 | 4 | 352 | 352 | - | - | 352 | Out to consultation and design phase - intended for works to be completed over the winter months |
| 3G Sports Facility | 310 | - | - | - | 310 | 310 | - | - | 310 | Agreement with Sport England signed work due to start on site with completion expected by end of November |
| Assembly Rooms Development | 2,053 | 750 | 756 | 6 | 2,053 | 2,053 | - | - | 2,053 | Building works to be completed Summer 2019 |

| Service Area | Budget Reprofiled from 2018/19 (memo only) £000 | YTD Budget £000 | YTD Actual Spend £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 | Reprofile to 2020/21 (memo only) £000 | Outturn £000 | Comments |
|---|---|-----------------|-----------------------|-----------------|---------------|------------------------|---------------|---------------------------------------|---------------|--|
| Indoor and Outdoor Sports Feasibility | 100 | - | - | - | 100 | 100 | - | - | 100 | Consultation due to be completed October - looking to link in with review of Gungate site and strategy for the whole borough |
| Service Area Total | 3,032 | 780 | 794 | 14 | 3,110 | 3,110 | - | - | 3,110 | |
| AD Finance | | | | | | | | | | |
| Property Funds | 8,131 | 8,131 | - | (8,131) | 8,131 | 8,131 | - | - | 8,131 | £8.131m re-profiled to 2019/20 for investment once the economic situation becomes clearer |
| Sohay Tamworth LTD LATIC | 4,000 | 4,000 | - | (4,000) | 4,000 | 4,000 | - | - | 4,000 | - |
| Service Area Total | 12,131 | 12,131 | - | (12,131) | 12,131 | 12,131 | - | - | 12,131 | |
| AD Assets | | | | | | | | | | |
| Disabled Facilities Grant | 72 | 234 | 184 | (50) | 722 | 722 | - | - | 722 | Budget expected to be spent in full |
| Agile Working Phase 2 | 124 | 124 | - | (124) | 124 | 124 | - | - | 124 | Scheme not yet identified. |
| Energy EFF Upgrade Commercial and Industrial Properties | - | 19 | - | (19) | 75 | 75 | - | - | 75 | Works done on ad-hoc basis as units become vacant |
| Castle Grounds Toilet Refurbishment | 180 | 180 | 163 | (17) | 180 | 180 | - | - | 180 | Works on site due to complete late Jul, early Aug |
| Service Area Total | 376 | 557 | 347 | (210) | 1,101 | 1,101 | - | - | 1,101 | |
| AD Neighbourhoods | | | | | | | | | | |
| Homelessness Reduction Act | 30 | 30 | - | (30) | 30 | 30 | - | - | 30 | Funds carried forward from 2018/19, spend expected in line with capital appraisal |

| Service Area | Budget Reprofiled from 2018/19 (memo only) £000 | YTD Budget £000 | YTD Actual Spend £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 | Reprofile to 2020/21 (memo only) £000 | Outturn £000 | Comments |
|--|---|-----------------|-----------------------|---------------|-------------|------------------------|---------------|---------------------------------------|--------------|---|
| CCTV Camera Renewals | 49 | 12 | 12 | (0) | 49 | 49 | - | - | 49 | Spend in 2019/20 in support of CCTV service review |
| Service Area Total | 79 | 42 | 12 | (30) | 79 | 79 | - | - | 79 | |
| AD Partnerships | | | | | | | | | | |
| Private Sector Coalfields Fund | 92 | - | - | - | 92 | 92 | - | - | 92 | Funds re-profiled from 2018/19 - programme to be developed |
| Service Area Total | 92 | - | - | - | 92 | 92 | - | - | 92 | |
| GF Contingency | | | | | | | | | | |
| Gf Contingency | 35 | 35 | - | (35) | 35 | 35 | - | - | 35 | Will require approval from Cabinet to release funds |
| Cont-Return On Investment | 160 | 160 | - | (160) | 160 | 160 | - | - | 160 | To be released for CCTV investment costs |
| GF Contingency Plant and Equipment | 100 | 100 | - | (100) | 100 | 100 | - | - | 100 | Contingency for plant and equipment purchases supported by a business case approach |
| Civil Contingencies Technology 17/18 (Contingency) | 19 | 19 | - | (19) | 19 | - | (19) | - | - | No longer required |
| Refurbishment of Marmion House Reception (Contingency) | 100 | 100 | - | (100) | 100 | - | (100) | - | - | Unlikely to be required / wider review underway |
| GDPR Compliance (Contingency) | 31 | 31 | - | (31) | 31 | 31 | - | - | 31 | Review underway, but will require approval from Cabinet to release funds |
| Mobile Phone Contract (Contingency) | 20 | 20 | - | (20) | 20 | 20 | - | - | 20 | Review underway, but will require approval from Cabinet to release funds |

| Service Area | Budget Reprofiled from 2018/19 (memo only) £000 | YTD Budget £000 | YTD Actual Spend £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 | Reprofile to 2020/21 (memo only) £000 | Outturn £000 | Comments |
|--|---|-----------------|-----------------------|-----------------|---------------|------------------------|---------------|---------------------------------------|---------------|--|
| Private Sector Improvement Grants (Coalfields Funding) | 130 | 130 | - | (130) | 130 | 130 | - | - | 130 | Review underway, but will require approval from Cabinet to release funds |
| Service Area Total | 595 | 595 | - | (595) | 595 | 476 | (119) | - | 476 | |
| GENERAL FUND TOTAL | 17,929 | 14,660 | 1,579 | (13,080) | 18,912 | 18,793 | (119) | - | 18,793 | |

| HOUSING REVENUE ACCOUNT | | | | | | | | | | |
|---|---|-----------------|-----------------------|---------------|-------------|------------------------|---------------|---------------------------------------|--------------|--|
| Service Area | Budget Reprofiled from 2018/19 (memo only) £000 | YTD Budget £000 | YTD Actual Spend £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 | Reprofile to 2020/21 (memo only) £000 | Outturn £000 | Comments |
| AD Assets | | | | | | | | | | |
| Structural Works | - | 75 | 90 | 15 | 300 | 300 | - | - | 300 | Works done on an ad-hoc basis |
| Bathroom Renewals | 30 | 172 | 6 | (167) | 598 | 598 | - | - | 598 | Expected to be spent in full by year end |
| Gas Central Heating Upgrades and Renewals | 203 | 375 | 40 | (335) | 889 | 889 | - | - | 889 | |
| Kitchen Renewals | 36 | 295 | 55 | (240) | 1,073 | 1,073 | - | - | 1,073 | |
| Major Roofing Overhaul and Renewals | - | 228 | (0) | (228) | 911 | 911 | - | - | 911 | |
| Window and Door Renewals | - | 162 | 96 | (66) | 649 | 649 | - | - | 649 | |
| Neighbourhood Regeneration | - | 187 | - | (187) | 749 | 749 | - | - | 749 | Budget profile to be reviewed |
| Disabled Facilities Adaptations | 24 | 77 | 20 | (57) | 236 | 236 | - | - | 236 | Expected to be spent in full by year end |
| Rewire | - | 91 | - | (91) | 362 | 362 | - | - | 362 | |
| CO2 / Smoke Detectors | - | 16 | 24 | 8 | 64 | 64 | - | - | 64 | |
| Insulation | - | 4 | - | (4) | 18 | 18 | - | - | 18 | |
| Strode House Car Park and Garages | 171 | 171 | 171 | (0) | 171 | 171 | - | - | 171 | |
| Renew High Rise Lifts | 280 | 280 | - | (280) | 280 | - | (280) | 280 | 280 | Old project still on site, new lifts won't commence until next year. |
| High Rise Lift Renewals 2012 | 158 | 158 | 42 | (116) | 158 | 158 | - | - | 158 | - |
| Fire Upgrades To Flats 2012 | 1,985 | 1,452 | 1,452 | 0 | 1,985 | 1,985 | - | - | 1,985 | Due to complete Dec 2019 |

| | | | | | | | | | | |
|--------------------------------|--|------------------------|------------------------------|----------------------|--------------------|-------------------------------|----------------------|--|---------------------|---|
| Sheltered Schemes | - | 25 | - | (25) | 100 | 100 | - | - | 100 | Plan to spend budget currently being developed |
| Service Area | Budget Reprofiled from 2018/19 (memo only) £000 | YTD Budget £000 | YTD Actual Spend £000 | Variance £000 | Budget £000 | Predicted Outturn £000 | Variance £000 | Reprofile to 2020/21 (memo only) £000 | Outturn £000 | Comments |
| Energy Efficiency Improvements | - | 18 | - | (18) | 70 | 70 | - | - | 70 | Projects have been identified |
| High Rise Balconies | 43 | 43 | 29 | (14) | 43 | 43 | - | - | 43 | Scheme almost completed |
| Works to High Rise Flats | 863 | 863 | 711 | (152) | 863 | 863 | - | - | 863 | - |
| Retention of Garage Sites | - | 125 | (0) | (125) | 500 | 500 | - | - | 500 | Scheme with Members for decision |
| Capital Salaries | - | 50 | - | (50) | 200 | 200 | - | - | 200 | - |
| Tinkers Green | 10,753 | 931 | 958 | 27 | 10,753 | 9,413 | (1,340) | 1,340 | 10,753 | Project due to complete Autumn 2020 - budget profile to be reviewed |
| Kent Estate Project | 6,762 | 476 | 546 | 70 | 6,762 | 5,912 | (850) | 850 | 6,762 | Project due to complete Autumn 2020 |
| Regeneration General | - | 500 | 7 | (493) | 2,000 | 2,000 | - | - | 2,000 | Subject to virement £1m to CR7004 |
| Other Acquisitions | 946 | 1,071 | 1,072 | 1 | 1,446 | 1,446 | - | - | 1,446 | Subject to virement £1m from CR7003 - should be fully spent by year end |
| Service Area Total | 22,254 | 7,846 | 5,320 | (2,526) | 31,181 | 28,711 | (2,470) | 2,470 | 31,181 | |
| HRA Contingency | | | | | | | | | | |
| HRA Contingency | 100 | 100 | - | (100) | 100 | 100 | - | - | 100 | Will require approval from Cabinet to release funds |
| Service Area Total | 100 | 100 | - | (100) | 100 | 100 | - | - | 100 | |
| HRA Total | 22,354 | 7,946 | 5,320 | (2,526) | 31,281 | 28,811 | (2,470) | 2,470 | 31,281 | |

Treasury Management Update – Period 3 - 2019/20**Investments held as at 30th June 2019:**

| Borrower | Deposit £ | Rate % | From | To | Notice |
|----------------------------------|---------------|-------------------|-----------|-----------|---------|
| National Westminster Bank plc | 4,001,189 | 0.95% | 05-Jul-18 | 05-Jul-19 | - |
| National Westminster Bank plc | 4,001,183 | 1.1300% | 27-Nov-18 | 26-Nov-19 | - |
| Lloyds Bank | 1,000,000 | 1.1000% | 30-Nov-18 | 29-Nov-19 | - |
| Lloyds Bank | 1,000,000 | 1.1000% | 30-Nov-18 | 29-Nov-19 | - |
| Bank of Scotland | 2,000,000 | 1.1000% | 03-Jan-19 | 03-Jan-20 | - |
| Bank of Scotland | 2,000,000 | 1.1000% | 04-Jan-19 | 03-Jan-20 | - |
| Lloyds Bank | 1,000,000 | 1.1000% | 08-Feb-19 | 07-Feb-20 | - |
| Bank of Scotland | 2,000,000 | 1.1000% | 11-Feb-19 | 10-Feb-20 | - |
| Barclays Bank | 3,000,000 | 0.8900% | 12-Mar-19 | 12-Sep-19 | - |
| Thurrock Council | 7,000,000 | 1.1200% | 13-Mar-19 | 13-Feb-20 | - |
| Lloyds Bank | 2,000,000 | 1.2500% | 03-Apr-19 | 03-Apr-20 | - |
| Lloyds Bank | 2,000,000 | 1.2500% | 03-Apr-19 | 03-Apr-20 | - |
| Barclays Bank | 2,000,000 | 0.8400% | 05-Apr-19 | 07-Oct-19 | - |
| Thurrock Council | 3,000,000 | 0.9000% | 10-Apr-19 | 10-Oct-19 | - |
| National Westminster Bank plc | 2,000,791 | 0.9200% | 28-Jun-19 | 26-Jun-20 | - |
| Goldman Sachs | 10,000,000 | 1.17% | - | - | 180 day |
| Santander | 10,000,000 | 1.00% | - | - | 180 day |
| MMF – PSDF | 2,199,000 | 0.74%* | - | - | On call |
| MMF – Federated | 3,000,000 | 0.96%* | - | - | On call |
| MMF – Federated | 1,236,731 | 0.75%* | - | - | On call |
| Total | 64.438 | 1.04 (avg) | | | |

* Interest rate fluctuates daily dependant on the funds investment portfolio, rate quoted is approximate 7 day average.

External Borrowing as at 30th June 2019:

| <u>Borrowing from PWLB</u> | | | | |
|-----------------------------------|--------------------|-------------------------|---------------------|------------------------|
| <u>Loan Number</u> | <u>Rate</u> | <u>Principal</u> | <u>Start</u> | <u>Maturity</u> |
| 475875 | 8.875% | 1,200,000 | 29/04/1995 | 25/04/2055 |
| 478326 | 8.000% | 1,000,000 | 17/10/1996 | 17/10/2056 |
| 479541 | 7.375% | 1,000,000 | 28/05/1997 | 28/05/2057 |
| 479950 | 6.750% | 2,000,000 | 02/10/1997 | 03/09/2057 |
| 481087 | 5.625% | 3,000,000 | 22/06/1998 | 22/06/2058 |
| 481641 | 4.500% | 1,400,000 | 09/10/1998 | 09/10/2058 |
| 483694 | 4.875% | 92,194 | 21/12/1999 | 18/10/2059 |
| 488835 | 5.000% | 2,000,000 | 01/07/2004 | 01/07/2034 |
| 490815 | 4.250% | 1,000,000 | 24/11/2005 | 24/05/2031 |
| 494265 | 4.430% | 2,000,000 | 21/01/2008 | 01/01/2037 |
| 494742 | 4.390% | 700,000 | 15/08/2008 | 15/08/2058 |
| 500759 | 3.520% | 5,000,000 | 28/03/2012 | 28/03/2053 |
| 500758 | 3.510% | 5,000,000 | 28/03/2012 | 28/03/2054 |
| 500757 | 3.510% | 5,000,000 | 28/03/2012 | 28/03/2055 |
| 500761 | 3.510% | 5,000,000 | 28/03/2012 | 28/03/2056 |
| 500755 | 3.500% | 5,000,000 | 28/03/2012 | 28/03/2057 |
| 500756 | 3.500% | 3,000,000 | 28/03/2012 | 28/03/2058 |
| 500753 | 3.500% | 1,000,000 | 28/03/2012 | 28/03/2059 |
| 500760 | 3.490% | 5,000,000 | 28/03/2012 | 28/03/2060 |
| 500762 | 3.490% | 5,000,000 | 28/03/2012 | 28/03/2061 |
| 500754 | 3.480% | 5,668,000 | 28/03/2012 | 28/03/2062 |
| 504499 | 3.230% | 3,000,000 | 30/11/2015 | 30/11/2065 |
| Total | | 63,060,194 | | |

